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October 12, 2015

By ECF

The Honorable Denny Chin
United States Circuit Judge
United States Courthouse
40 Foley Square
New York, NY 10007-1502

Re: Sykes, et al. v. Mel S. Harris and Associates LLC, et al., 09 Civ. 8486 (DC)

Dear Judge Chin:

This firm, along with co-counsel MFY Legal Services and the New Economy Project, represents Plaintiffs and the Class in the above-referenced action. We write to inform the Court of the status of our negotiations with the Mel Harris and Samserv Defendants concerning the non-monetary terms of a global settlement (having reached an agreement on monetary terms on September 18, 2015), and in response to the Leucadia Defendants' letter dated today.

As reported by the Leucadia Defendants, we have not yet executed a final settlement agreement with the Mel Harris and Samserv Defendants, but have worked diligently towards that goal since September 18, 2015. One of the key issues that has proved challenging is reaching an agreement on an effective and mutually acceptable method of suspending, upon execution of such an agreement, the ongoing collection of funds from class members, including via judgment execution activities undertaken by New York City Marshals and New York State Sheriffs. Not surprisingly, this is critically important from Plaintiffs' perspective, but has been made exponentially more difficult by the fact that defendant law firm Mel S. Harris & Associates LLC ceased operations on September 18, 2015. As a result, the Leucadia Defendants, who own and control the default judgments, retained a non-party law firm to continue collections, including through Marshal and Sheriff executions on all default judgments at issue in this case.

Because of these difficulties, we do need more time to finalize an agreement. We oppose the Leucadia Defendants' request that the Court direct Plaintiffs and the Leucadia Defendants to file immediately a preliminary approval motion as to the Leucadia Defendants

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only. Assuming, as Plaintiffs do, that the remaining issues can be resolved over the next two weeks, it would be wasteful and counterproductive to devote time and resources to making a motion for preliminary approval (and thus diverting resources from negotiating a final agreement), only to have to do it all over again upon reaching a global settlement.

While Plaintiffs oppose the Leucadia Defendants' request to move forward with preliminary approval piece-meal, we agree that setting a date for a conference with the Court during the week of October 26 in order to set a schedule for *all parties* moving for preliminary approval would help ensure that there is no undue delay in moving this case to completion. If the Court is able to schedule a conference for the week of October 26, we understand that counsel for the Mel Harris Defendants is not available the morning of October 28.

We thank the Court for its consideration of these matters and are available should the Court have any questions or concerns.

Very truly yours,

/s

Matthew D. Brinckerhoff

c. All Counsel (by ECF)